

Commercial Telephone Exchange, Inc.

February 29, 2008

STATEMENT

EXPLAINING HOW THE COMPANY'S PROCEDURES ENSURE THAT THE COMPANY IS IN COMPLIANCE WITH THE REQUIREMENTS SET FORTH IN SECTION 64.2001 *ET SEQ.* OF THE COMMISSION'S RULES

Commercial Telephone Exchange, Inc. ("Carrier") has established operating procedures that ensure compliance with the Federal Communications Commission ("Commission") regulations regarding the protection of Consumer Proprietary Network Information ("CPNI").

Carrier does not sell, rent or otherwise disclose customers CPNI to other entities.

Carrier does not use any customer CPNI in any marketing activities.

Carrier has implemented a system whereby the status of a customer's CPNI approval can be determined prior to any use of CPNI.

Carrier Procedures require affirmative written/electronic customer approval or Court Order for the release of CPNI to third parties.

Carrier maintains a record of any and all instances where CPNI was disclosed or provided to third parties, including law enforcement or where third parties were allowed access to CPNI. The record includes a description of each campaign or request, the specific CPNI that was used in the campaign, and what products and services were offered as a part of the campaign.

Carrier continually educates and trains its employees regarding the appropriate use of CPNI. Carrier has established disciplinary procedures should an employee violate the CPNI procedures established by Carrier.

Carrier has established procedures for the training of its personnel with access to customer CPNI. Employees have been trained as to when they are and are not authorized to use CPNI.

Carrier has established a supervisory review process regarding compliance with the CPNI rules with respect to outbound marketing situations and maintains records of carrier compliance for a minimum period of one year. Specifically, Carrier's sales personnel obtain supervisory approval of any proposed outbound marketing request for customer approval regarding its CPNI.